

**PLANNING COMMISSION RESOLUTION NO. PC 2025-04
ZONING TEXT AMENDMENT ZA-2025-0001**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, AMENDING CHAPTER 17.76 (SALE OF ALCOHOLIC BEVERAGES), AND ADDING SECTION 17.76.030 (OPERATIONAL STANDARDS), OF CHAPTER 17.76 (SALE OF ALCOHOLIC BEVERAGES), OF TITLE 17 (ZONING) OF THE HAWTHORNE MUNICIPAL CODE, AND MAKING A FINDING OF EXEMPTION IN COMPLIANCE WITH CEQA IN CONNECTION THEREWITH

WHEREAS, the State of California’s Department of Alcoholic Beverage Control (ABC) issues various types of alcoholic beverage licenses; and

WHEREAS, the City’s intention when creating a Conditional Use Permit (CUP) requirement for alcohol sales was to minimize potentially harmful impacts to the community that the sale of alcohol may have in certain locations and circumstances; and

WHEREAS, the City’s Economic Development Strategic Plan calls for the improvement of “customer service operations” (Goal 3, in part) and updating the “Zoning Code for the 21st Century” (Goal 4), and

WHEREAS, the City has determined that creating unnecessary hurdles for new businesses in the City is counterproductive to economic development; and

WHEREAS, restaurants within the City are a vital part of the City’s economic footprint and they derive a significant portion of their revenue from the sale of alcoholic beverages; and

WHEREAS, dine-in restaurants are especially reliant on alcohol beverage sales to boost their profitability; and

WHEREAS, every alcohol CUP issued by the City has nearly identical conditions of approval; and

WHEREAS, when every application for alcohol sales is approved by the Planning Commission or the City Council, and all have the same general applicable conditions, and planning best practices suggest that such applications should be administratively processed rather than require a discretionary permit, such as a CUP; and

WHEREAS, the administrative approval processes are handled by Staff, who are required to approve applications that meet all of the standards and requirements of the Municipal Code, and are not permitted to use discretion in making the determination to approve or not; and

WHEREAS, the CUP application fee is over \$4,000, and there are other expenses necessary for an application to be complete. Additionally, the time from application to approval is 2-3 months, at a minimum; and

WHEREAS, the cost and time required for dine-in restaurants to obtain a CUP for alcohol sales is especially burdensome for start-ups, creating an impediment to their success. Additionally, the alternative of forgoing the alcohol CUP is also an impediment to the dine-in restaurants' success; and

WHEREAS, enabling the alcohol approval process for dine-in restaurants as an administrative approval will be an economic boost to the City's local restaurants; and

WHEREAS, the change of alcohol approval process for dine-in restaurants has no bearing on ABC's licensing and application processes; and

WHEREAS, many ABC license types have very low to no propensity to becoming a nuisance to the community due to the specific nature of their operations and ABC restrictions; as a result, they should also be processed as administrative applications; and

WHEREAS, a Type 17 license is for beer and wine wholesalers, generally. This permits incidental sales to other supplier-type licensees. However, to qualify as a bona fide wholesaler, a licensee must sell alcoholic beverages to retailers. (B&P Code § 23779); and

WHEREAS, a Type 18 license is for distilled spirits wholesalers, generally. "Wholesale sale" or "sale at retail" means the sale by any on- or off-sale licensee for the purposes of resale (B&P Code § 23027). This permits incidental sales to other supplier-type licensees. However, to qualify as a bona fide wholesaler, a licensee must sell to retailers. (B&P Code § 23779, CCR § 28); and

WHEREAS, a Type 19 license is for an industrial alcohol dealer, which sells alcohol for use in the trades, professions, and industries, but not for beverage use. They may sell to non-licensees, only if they have a use permit issued by the Alcohol and Tobacco Tax and Trade Bureau. B&P Code § 23380 authorizes a dealer to sell undenatured ethyl alcohol in packages of more than one gallon for use in the trades, professions, or industries and not for beverage consumption. It also authorizes the importation and exportation of undenatured ethyl alcohol. Undenatured ethyl alcohol is alcohol that is fit for beverage purposes as differentiated from denatured alcohol which is not fit for beverage purposes; and

WHEREAS, a Type 27 license is for a California winegrower's agent, which acts as the sole representative for a California winegrower or brandy manufacturer (B&P Code § 23373.2). This license authorizes the holder to possess wine and brandy produced in this State in public and private warehouses; to sell only to wholesalers for his/her own account or to solicit and make sales of wine or brandy made in California only to wholesalers for his/her principal, and to invoice and collect payments for orders solicited by them (B&P Code § 23373). This license does not authorize the holder to represent an out-of-state winegrower or brandy manufacturer; and

WHEREAS, a Type 28 license authorizes the shipment of distilled spirits manufactured outside California to licensed importers in this state. A licensed importer may obtain distilled spirits only from the holder of an active out-of-state distilled spirits shipper's certificate. This certificate has no sale privilege within California; and

WHEREAS, a Type 31 license is issued as a temporary daily license for On-Sale/Off-Sale General or On-Sale/Off-Sale Beer and Wine issued to a valid non-profit 501(c)(3) or other qualified organizations to sell alcoholic beverages via auction or online raffle for fundraising events. Alcoholic beverages can be obtained via donation or purchased from a licensee as specified by law. License duration varies in length. Law enforcement approval may be required (B&P Code §§ 24045.2, 24045.3, 24045.4, 24045.6, 24045.8, 24045.9, 25600). This license type is subject to Responsible Beverage Service (RBS) requirements and requires at least one person to be RBS trained and certified. This person must be present at the event and actively oversee the alcohol service for the entire duration of the event; and

WHEREAS, a Type 34 license is issued as a temporary daily license for On-Sale Beer and Wine issued to a valid non-profit 501(c)(3) or other qualified organizations for fundraising events. This license allows on-site consumption to the general public. Sale of alcoholic beverages for off-sale is prohibited. Law enforcement approval may be required (B&P Code § 24045, CCR § 59). This license type is subject to Responsible Beverage Service (RBS) requirements and requires at least one person to be RBS trained and certified. This person must be present at the event and actively oversee the alcohol service for the entire duration of the event; and

WHEREAS, a Type 37 license is issued as a temporary daily license for On-Sale General issued to a valid non-profit 501(c)(3) or other qualified organizations for fundraising events. License allows on-site consumption to the general public. Sale of alcoholic beverages for off-sale is prohibited. Beer and wine may be purchased from a retailer or wholesaler. Law enforcement approval may be required (B&P Code § 24045.1, CCR § 59.5). This license type is subject to RBS requirements and requires at least one person to be RBS trained and certified. This person must be present at the event and actively oversee the alcohol service for the entire duration of the event; and

WHEREAS, a Type 41 license is issued to restaurants. It authorizes the sale of beer and wine for consumption on or off the premises where sold. Distilled spirits may not be on the premises (except brandy, rum, or liqueurs for use solely for cooking purposes). Must operate and maintain the licensed premises as a bona fide eating place. Must maintain suitable kitchen facilities and must make actual and substantial sales of meals for consumption on the premises. Minors are allowed on the premises. This license type is subject to RBS requirements and requires alcohol servers and managers of alcohol servers to be RBS certified; and

WHEREAS, a Type 47 license is issued to restaurants. It authorizes the sale of beer, wine, and distilled spirits for consumption on the licensed premises. It also authorizes the sale of beer and wine for consumption off the licensed premises. The Licensee must operate and maintain the licensed premises as a bona fide eating place. The Licensee must also maintain suitable kitchen facilities and must make actual and substantial sales of meals for consumption on the premises. Minors are allowed on the

premises. This license type is subject to RBS requirements and requires alcohol servers and managers of alcohol servers to be RBS certified; and

WHEREAS, a Type 64 license may be issued to certain non-profit theater companies as specified in B&P Code § 24045.7. Theater companies holding this license may sell and serve alcoholic beverages to ticketholders from two hours before to one hour after a bona fide theater performance of the company. This license type is subject to RBS requirements and requires alcohol servers and managers of alcohol servers to be RBS certified; and

WHEREAS, a Type 66 license is issued to licensed hotels or motels and allows for the sale of packaged distilled spirits in guestrooms. The distilled spirits sold pursuant to these permits shall be in containers of 50 milliliters or less and must be secured in a locked cabinet. This license type is subject to RBS requirements and requires alcohol servers and managers of alcohol servers to be RBS certified; and

WHEREAS, a Type 69 license allows qualified non-profit theater companies to sell and serve beer and wine to ticket holders. Sales and service of beer and wine may only occur during and up to two hours prior to a bona fide theater performance of the company. This license type is subject to RBS requirements and requires alcohol servers and managers of alcohol servers to be RBS certified; and

WHEREAS, a Type 85 license allows for the sale of wine to consumers for consumption off the licensed premises. Sales are restricted to those solicited and accepted via direct mail, telephone, or the Internet and may not be conducted from retail premises open to the public; and

WHEREAS, a Type 90 license authorizes the sale of beer, wine, and distilled spirits at retail for consumption on the premises in a music entertainment facility, as defined in B&P Code § 23550. Sale, service, and consumption of alcoholic beverages are limited to the time period from two hours before a live performance until one hour after the live performance. Minors are allowed on the premises. This license type is subject to RBS requirements and requires alcohol servers and managers of alcohol servers to be RBS certified; and

WHEREAS, on April 16, 2025, the Planning Commission of the City of Hawthorne considered the draft ordinance to amend regulations and permitting processes for alcohol sales, which is attached as Exhibit A, and recommends approval of said ordinance to the City Council.

THE PLANNING COMMISSION OF THE CITY OF HAWTHORNE DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The Planning Commission of the City of Hawthorne hereby incorporates by reference all the recitals herein.

SECTION 2. The Planning Commission hereby recommends approval of Zoning Text Amendment ZA-2025-0001 to the City Council that proposes to modify the sections

of the Hawthorne Municipal Code related to alcohol sales, as set forth in Exhibit A of this PC Resolution, incorporated herein by this reference.

SECTION 3. All necessary public meetings and opportunities for public testimony and comment were conducted in compliance with State law and the HMC.

SECTION 4. The City Council hereby concurs with staff's determination and hereby finds that the adoption of this ordinance is a type of organizational activity involving the administration of the City that does not have the possibility to have a direct or indirect effect on the environment and is therefore exempt from review under the California Environmental Quality Act (CEQA), pursuant to Title 14, California Code of Regulations, Section 15379(b)(5). In addition, the actions taken by this ordinance are not a "project" under CEQA because the ordinance does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment to a specific project, which may result in a potentially significant physical impact on the environment and is also exempt from CEQA pursuant to the "common sense" exemption because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (Title 14, California Code of Regulations, Section 15061(b)(3)).

SECTION 5. The documents and other materials that constitute the record of the proceedings upon which the Planning Commission's recommendations are based, which include, but are not limited to, the staff reports for the project and all of the materials that support the staff reports for the project, are located in the office of the Planning Director of the City of Hawthorne, at 4455 West 126th Street, Hawthorne, California 90250. The custodian of these documents is the Planning Director of the City of Hawthorne.

SECTION 6. The Planning Commission Secretary shall certify to the adoption of this Resolution and shall forward a copy to the City Council, City Clerk, City Manager, and City Attorney.

PASSED, APPROVED and ADOPTED this 16th day of April, 2025.

RYAN RICHARD, CHAIRPERSON

ATTEST:

GREGG MCCLAIN, SECRETARY